Q&A – Repositioning and Rebranding
Credit Suisse (Lux) Megatrends Equity Fund Is to Be Repositioned and Rebranded as Credit Suisse (Lux) Global Emerging Market Brands Equity Fund

Which fund will be repositioned and rebranded?

Original fund name
Credit Suisse (Lux) Megatrends Equity Fund

New fund name
Credit Suisse (Lux) Global Emerging Market Brands Equity Fund

Share classes1: Valor no. ISIN

<table>
<thead>
<tr>
<th>Share class</th>
<th>Valor no.</th>
<th>ISIN</th>
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<tbody>
<tr>
<td>USD share class B</td>
<td>11480304</td>
<td>LU0522191245</td>
</tr>
<tr>
<td>USD share class BH2</td>
<td>TBC</td>
<td>TBC</td>
</tr>
<tr>
<td>USD share class EB</td>
<td>11480309</td>
<td>LU0522191674</td>
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<tr>
<td>CHF share class BH</td>
<td>11480369</td>
<td>LU0522192300</td>
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<tr>
<td>EUR share class BH</td>
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<td>LU0522192136</td>
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<tr>
<td>EUR share class IBH</td>
<td>11480371</td>
<td>LU0522192482</td>
</tr>
<tr>
<td>GBP share class BH</td>
<td>11949965</td>
<td>LU0554857044</td>
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</tbody>
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1 BH2 – USD is a new hedged share class and will be available soon. All other share classes, Swiss security numbers and ISINs will remain the same.

When will the repositioning and rebranding take place?
The changes will take place on 12.01.2015.

What is the timetable for this change?
Publication of repositioning decision, rebranding and change in fund manager 12.12.2014
Repositioning, rebranding and change in fund manager 12.01.2015

2 Published in the following national media: Swiss Official Gazette of Commerce and Swiss Fund Data (Switzerland), Luxemburger Wort (Luxembourg), Wiener Zeitung (Austria), Börse-Zeitung (Germany), Les Echos (France), Liechtensteiner Vaterland (Liechtenstein), Het Financieele Dagblad (Netherlands), Expansión (Spain), Milano Finanza (Italy), Financial Times (United Kingdom).

What is the reason for the changes?
When the Credit Suisse (Lux) Megatrends Equity Fund was launched in September 2010, it was a strong investment proposition. However, the fund’s investment remit was very broad, focusing as it did on three specific pillars: changing Demographics, the increasing emergence of a Multipolar World and the rising relevance of Sustainability. Each of these pillars entailed several distinct megatrend themes and investments across both developed and emerging markets. With such a wide scope, it was felt that the fund lacked a clear focus.

With the Credit Suisse (Lux) Global Emerging Market Brands Equity Fund, we are focusing on one of the biggest single megatrends – that of the emerging
market consumer and the growth of emerging market economies. This theme offers a large investable universe and presents an ideal case for an actively managed and focused high conviction portfolio. We believe that additional value can be generated by investment decisions being based on first-hand information and fundamental analysis of the companies.

Through a number of strongly performing and award-winning funds, Credit Suisse has significant knowledge of and expertise in emerging markets and, more specifically, emerging market consumer companies.

This repositioning and rebranding will allow the fund to better capitalize on our specialist knowledge and exploit these expert resources, including our on-the-ground presence and close proximity to many of the companies within the fund’s investment universe.

**Why is emerging market growth and consumption such an important theme?**

One of the most significant drivers of economic growth in emerging markets is the increasing wealth of the population, which translates into a growing middle class. Emerging markets already have a middle class population of over one billion people. By just 2020, this is expected to double to more than two billion people – at which point emerging markets will account for around 70% of the world’s middle class. Significantly, this group of consumers will be enjoying ever growing income and spending levels.3

As income per capita changes, so too does the structure of demand. Consumers move from needing commodities and basic goods to desiring consumer durables and discretionary products and services. In fact, these increasingly wealthy emerging market consumers end up with the same desires and aspirations as their developed world counterparts, creating structural growth opportunities in, for example, food and beverages, retail, autos, travel and financial services.

The emerging market consumer theme is a structural growth story in which rising incomes are the most important driver. This structural growth can often override cyclical factors, making emerging market consumption growth an interesting long-term investment opportunity.

**What investment policy will the repositioned fund pursue?**

The objective of the Credit Suisse (Lux) Global Emerging Market Brands Equity Fund is to achieve long-term capital growth, while maintaining an adequate diversification of risks, by investing in companies providing consumer goods or services to global emerging market consumers.

The investment strategy of the fund is based on fundamental analysis, and the process targets attractively valued companies expected to benefit from growth in emerging consumer markets. The fund invests across the market cap structure, allowing it to benefit from established players as well as stock pick future leaders. The portfolio will be focused and made up of 60 to 80 high-conviction stock picks.

The fund invests in the most dynamic parts of the global emerging market economies with long-term structural drivers. Government related and commodity companies have a significant weight in most emerging market stock indices. As a consumer-focused fund, it avoids investments in volatile commodity markets and adopts a very selective approach to government related companies. The fund can also invest in developed market companies whose revenues come primarily from emerging markets.

The fund is not restricted to investing only in the consumer staples and discretionary sectors. The fund management team believes that a broader approach that includes a wider range of consumption driven sectors, such as healthcare, education, home building, insurance and Internet/e-commerce, will offer better returns.

At the same time, the benchmark will also be changed from the MSCI AC World (NR) to the MSCI Emerging Markets Net Total Return Index (USD).

**What is the significance of a hedged share class and how does the new BH2 hedged share class differ from the existing ones?**

One of the biggest concerns for investors in emerging markets is currency movements. In order to minimize this risk, a hedged share class is available that will help protect investors from currency fluctuations.

The new BH2 share class allows the fund management team to hedge currency exposure at a position level. Therefore, investors buying the new share class can invest in emerging market stocks while avoiding the full exposure to fluctuations in the emerging markets’ volatile currencies. With the BH2 share class, pegged or developed world currencies are not hedged, while volatile currencies will be hedged within a predetermined optimal range. The currency specialists within the fund management team will select the optimal hedging range for each currency, based on costs and the correlation between exchange rate and stock returns. The BH2 share class is only available denominated in USD and will be available soon (upon launch and registration).

In contrast, the old BH share class does not protect investors from currency risk at a position level, leaving them exposed to fluctuations in the various currencies of the fund holdings. The BH share class creates a layer around the standard USD denominated class by hedging the currency of the share class against the fund’s base currency. This way an investor with EUR as his home currency can buy fund shares in the EUR share class, avoiding exposure to the fluctuations in the USD/EUR exchange rate.

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The fund at a glance

Fund domicile: Luxembourg
Portfolio managers: Anna Väänänen, Zurich
Isis Ma, Singapore
Fund currency: USD
Benchmark: MSCI Emerging Markets Net Total Return Index (USD)
Inception date: 30.09.2010
Management fee p.a: Share class B, BH, BH2: 1.92%
Share class EB, IBH: 0.70%
Initial charge: As per bank fees
Single Swinging Pricing (SSP): Yes
Valor no.
USD share class B: 11480304
USD share class BH: 11480309
USD share class EB: 11480369
CHF share class BH: 11480366
EUR share class BH: 11480371
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GBP share class BH: LU0554857044

4 For more details, please refer to the relevant section “Net Asset Value” of the fund prospectus.

SSP is a method used to calculate the net asset value (NAV) of a fund, which aims to protect existing investors from bearing indirect transaction costs triggered by incoming and outgoing investors. The NAV is adjusted up in case of net inflows and down in case of net outflows on the respective valuation date. The adjustment in NAV might be subject to a net flow threshold. For further information, please consult the sales prospectus.

Please see the fund prospectus for full details. The prospectus is available in the fund overview under “Asset Management” at www.credit-suisse.com.

Who will manage the fund, and what is their track record?
The fund will be run by an experienced and award-winning team based in Zurich and Singapore, providing on-the-ground presence and a close proximity to many of the investment universe’s companies and their management.

Lead managers Anna Väänänen and Isis Ma have a combined 26 years of investment experience, and the six-member team has a very strong track record in stock picking in emerging markets and consumer-related sectors. The team also includes two currency specialists.

Anna Väänänen, Director, is a Senior Fund Manager/Analyst and based in Zurich. She joined Credit Suisse (formerly Clariden Leu) in 2011 and, since then, has been the fund manager of the Credit Suisse (Lux) Equity Russia Fund. Prior to this, she worked for 11 years as an equity analyst at Salomon Brothers in London and at Carnegie in Finland covering various sectors. In 2005, she moved to asset management at Tapiola Insurance Company, and in 2007 she took over the management of the two Russian equity funds at FIM Asset Management.

In 2011, Anna won both the Lipper award and the Morningstar award for the Best Fund Investing in Russia and the Best Russia Equity Fund Manager over a three-year period.

Isis Ma, Vice President, is a Senior Fund Manager/Analyst and based in Singapore. She joined Credit Suisse (formerly Clariden Leu) in June 2010. She is an equity specialist in the consumer, real estate and internet sectors. Isis has been the Co-Manager of the Credit Suisse (Lux) Equity Asia Consumer Fund since 2012 and was the fund manager of the Clariden Leu Emerging Financials Fund from 2010 to 2011. Isis graduated from the Chinese University of Hong Kong. She is a Chartered Accountant and a CFA Charterholder.

What will the management fee for the fund be?
The management fee for the B and BH share classes of the fund will be unchanged at 1.92%, while the management fee for the EB and IBH share classes will be unchanged at 0.70%.

The management fee for the new BH2 share class will be 1.92%.

Will clients incur any costs or fees?
The repositioning and rebranding will not entail any costs for clients.

What are the tax implications?
Repositionings can have tax implications. As our clients have very different tax positions, Credit Suisse is unable to make general statements. We therefore recommend that clients contact their tax adviser to find out what the tax implications of this fund repositioning will be in their native country, country of residence, or country of domicile.

Your contacts

Asset Management Funds Client Services will be happy to answer any questions.

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